

brand ROYALTY

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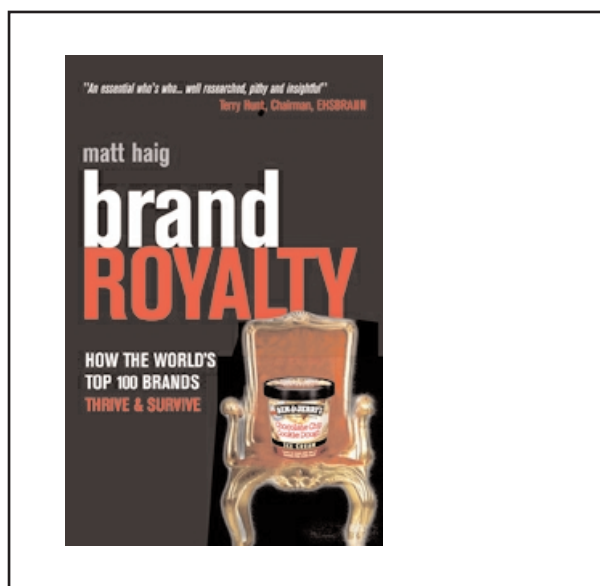
£18.99

Hardback

0 7949 4257 3

320 pages + 8 page colour section

324x156mm



CHAPTER 2

Pioneer brands

The start of the 20th century was a period of radical change. New theories and inventions were exploding the old world order. Einstein's theory of relativity challenged traditional certainties with its conclusion that time and space weren't absolute, as previously thought, but relative to the speed of light. This meant, in the words of author Felipe Fernandez-Armesto (2003), that 'commonsense perceptions vanished as if down a rabbit-hole in Wonderland'.

But Einstein wasn't the only one transforming the way people perceived reality. In 1900, the publication of Sigmund Freud's *The Interpretation of Dreams* popularized his idea of a human unconscious where all our motivations are buried. This questioned the notion of a coherent mind, where thoughts are under our own control, just as Einstein was to question the idea of a coherent universe.

These theories coincided with revolutionary new techniques and inventions. In 1901, the first wireless broadcast took place. In 1903, the Wright brothers flew their aeroplane. Plastic was introduced in 1907. The major inventions of the late 1800s, such as the car and the telephone, were now appearing everywhere.

Society was changing faster than ever before, and the shock of the change was evident in the new types of art emerging from the canvases of Picasso, Braque, Mondrian and Kandinsky. Artists were no longer representing a straightforward 'reality', because the very idea of a straightforward reality suddenly seemed ridiculous.

The changing nature of society, politics and technology (changes that would take a devastating turn for the worse in 1914) was also reflected in the business world. The arrival of the Ford Model T showed how technological advances could be harnessed to benefit society as a whole. Pioneers such as William Wrigley and William Kellogg were taking the power of advertising to new levels with innovative, wide-reaching campaigns.

The new era of skyscrapers and jazz music was also the era of mass production and advertising and Coca-Cola. This electronically powered age led to bigger business ambitions than ever before, as the world seemed to be becoming ever smaller. As early as the 1880s the businessman Henry Heinz was able to say that his market was 'the world'. It is this broadening of business ambition, more than changes in technology and production and media, that is the ultimate legacy of the pioneering brands included in this section.

II Heinz: the trust brand

In the 19th century, very few brands were thinking global. Heinz was an exception. ‘Our market is the world,’ said its Pittsburgh-born founder Henry Heinz, shortly after its launch in 1876 (actually, it was a relaunch, because he had set up an earlier food business, selling grated horseradish, seven years before).

During the 1880s, Henry Heinz got on a boat to Europe with cases stacked full of Heinz produce (including bottles of tomato ketchup, which was one of the very first Heinz products). He stopped off in London and visited a variety of shops and food halls, one of which was the very grand and highly respected Fortnum and Mason store, the most famous shop in Victorian London. Heinz was not intimidated. He walked into the opulent hall and asked to see the food purchaser. Once the purchaser had sampled Heinz’s produce he was in no doubt. ‘I think, Mr Heinz, we will take the lot,’ he told him, probably not realizing his words would be quoted over a century later.

Heinz salesmen soon ventured further afield to sell the product in every corner of the inhabited world. They were famously devoted to their boss, who always made sure his employees were cared for. His factories were visited by business people from across America, who had heard about their clean, safe and friendly working environment.

Henry Heinz died in 1916 but his business remained in family hands until 1965, under the control of his son Howard and then his grandson Jack, both of whom helped to establish Heinz as a good-quality and trustworthy brand.

Henry had come up with the bizarre but highly successful slogan ‘57 Varieties’. (It was bizarre because at the time Heinz in fact had 60 product varieties and the slogan remained as the range expanded further.) Howard and Jack may not have had the same knack for sloganeering, but they were just as ambitious, stretching the Heinz brand into areas such as baby food, beans and soups. In 1946, Jack Heinz turned the empire into a public company.

Today, under the leadership of William Johnson, the company’s sixth CEO in nearly 130 years, the brand has probably outgrown even Henry Heinz’s ambitions. Its goods are available in almost every country in the world. It employs nearly 50,000 workers. It is still the number one product in a lot of categories

(could there ever be a more successful ketchup?). The company is now worth billions of dollars. And the '57 Varieties' have become 5,000.

Secrets of success

- *Trust.* Heinz is the most trusted of food brands. Even after the company slipped out of family hands, trust remained the core brand value.
- *Loyalty.* Linked with trust is the issue of loyalty. Tony O'Reilly, the fifth boss of Heinz, famously gave his 'acid test'. The test was whether someone 'intending to buy Heinz tomato ketchup in a store, finding it to be out of stock, will walk out of the store to buy it elsewhere or switch to an alternative product'.
- *Heart.* Heinz has never ignored the human element. 'Heart power is better than horse power' was Henry Heinz's favourite maxim. Even today, you will hear few complaints from the company's devoted workforce. It is telling that Heinz was the largest global brand to have been left out of Naomi Klein's scathing attack on the inhuman aspects of globalization, *No Logo* (2002).
- *Ambition.* Heinz was one of the earliest global brands, and that it remains one of the biggest is testimony to sustaining ambitious values.

Fact file

Web site: www.heinz.com

Founded: 1869

Country of origin: USA

Brand fact 1: The Heinz brand was valued at over \$7 billion in 2004.

Brand fact 2: Heinz sells 650 million bottles of ketchup each year.

Brand fact 3: Heinz makes 11 billion packets of ketchup and dressings each year. That's at least two packets for every person on earth.

12 Kellogg's: the familiarity brand

Like Coca-Cola and many other major food brands, the first Kellogg's products were used for medicinal and health purposes. Indeed, the very first Kellogg's product – corn flakes – began life at the Western Health Reform Institute, a rather strange organization based on the idea of purifying the soul through a grain-based diet. The institute was the subject of Alan Parker's 1988 movie *The Road to Wellville*, where it was depicted almost as a religious cult. Dr John Harvey Kellogg was the chief physician there from 1876 and, along with his brother William, pioneered the breakfast cereal as a means of preventing digestion problems.

It was William who proved the more entrepreneurial of the two, and in 1906 he set up the Battle Creek Toasted Cornflake Company to start mass-producing the product they had invented. However, it wasn't just the cereal that was toasted. In 1907 a fire destroyed the company's wooden premises and William had to start again.

Once he was over his initial setback, the company, which changed its name to Kellogg's, grew rapidly on the back of intensive advertising campaigns. Indeed, in the early 20th century, the brand was the most ambitious advertiser the world had ever known, with an advertising budget of \$1 million by 1911, and creating the largest sign the world had ever seen, installing it in New York's Times Square (which has never looked the same since).

The aim was to make the word logo 'Kellogg's' as familiar as possible. It therefore became the main subject of adverts and was printed on every box of cereal. Even before any other Kellogg's cereals were introduced, the word 'Kellogg's' was always as important as the words 'Corn Flakes'.

Throughout the last century, Kellogg's achieved its aim by becoming one of the most familiar brands on the planet. Its individual brands such as Rice Krispies and Special K became household names in their own right, but consumers were never in any doubt about who produced them. This concentration on the Kellogg's brand – a brand built on values of taste, trust and health (from the 1940s the cereals were fortified with vitamins) – meant that consumers were willing to opt for the familiarity of Kellogg's over cheaper equivalents.

Kellogg's has therefore become the expert on umbrella branding. Each individual brand of cereal supports, and is supported by, the Kellogg's name. This distinguishes Kellogg's from competitors such as General Mills (makers of Cheerios) and Philip Morris Post (makers of Shredded Wheat), where the name of the specific cereal is all that matters.

Secrets of success

- *Price elasticity.* Years of investing in the promotion of the Kellogg's name have meant it can raise its prices above those of competitors. However, in recent years, Kellogg's has tested what economists call the 'price elasticity of demand' to the limit. For instance, when it started charging US consumers over \$5 for a box of cereal (Apple Jacks) sales started to slide.
- *Familiarity.* The familiarity of the Kellogg's name has turned it into the ultimate example of successful 'umbrella branding', as it adds value to all its products.

Fact file

Web site: www.kelloggs.com

Founded: 1906

Country of origin: USA

Brand fact 1: Kellogg products are manufactured in 19 countries and marketed in more than 160 countries around the world.

Brand fact 2: Kellogg is the world's leading producer of cereal, with projected annual sales of more than US \$9 billion.

Brand fact 3: In 1906, Kellogg's put a full-page ad in the July issue of the *Ladies' Home Journal*. This resulted in sales leaping from 33 cases to 2,900 cases per day.

13 Colgate: the total brand

In 1873, nearly 70 years after William Colgate had founded the company, Colgate introduced its first toothpaste. Up until that time, the company had concentrated on selling starch, candles and scented soap. The first Colgate toothpaste was an aromatic cream sold in jars. The real breakthrough though came in 1896, when Colgate made the first collapsible toothpaste tube, making the act of cleaning teeth a lot easier and more hygienic.

Although Colgate merged with another successful brand, Palmolive soap, in 1928, the identity of the toothpaste remained as strong as ever. In fact, the merger helped the brand expand further outside its native United States.

The main threat to the brand has been its chief rival, Crest. Crest was the first toothpaste to introduce fluoride in 1955. When it became clear that fluoride really did prevent cavities, Colgate added fluoride in 1964.

However, cavities didn't stay the main dental issue. As fluoride became added to the water supply in many key markets, cavity prevention was overtaken by other dental problems, such as tartar control and gingivitis protection. In the 1990s Colgate became the first toothpaste to tackle the 'big three' – cavities, tartar and gingivitis – with the launch of Colgate Total. As consumers had become increasingly confused by ever-expanding toothpaste ranges, they welcomed a product that made their life simpler by offering a total solution.

This combined with earlier innovations such as improved 'MPF' fluoride, the Blue Minty Gel toothpaste (the first to target 9- to 14-year-olds) and the 1984 introduction of the pump action toothpaste dispenser.

Colgate has long been the leader in the global market, but the totality claim of Colgate Total has also helped it return to the US number one spot after 30 years in Crest's cavity-fighting shadow.

Secrets of success

- *Simplicity.* Colgate Total simplified a cluttered market, by giving the consumers an all-in-one solution.
- *Innovation.* Colgate has reconfirmed its leadership status by setting, rather than following, tooth care trends.

Fact file

Web site: www.colgate.com

Founded: 1806

Country of origin: USA

Brand fact 1: Colgate is the number one seller of toothpastes and a world leader in oral care products.

Brand fact 2: Colgate does business in over 200 countries.

Brand fact 3: Colgate launched nearly 900 new products in the year 2000 alone.

14 Ford: the volume brand

The Ford Model T, available ‘in any colour so long as it’s black’, is the most significant vehicle in automobile history. When it rolled off the assembly line in 1908, the Model T (or ‘Tin Lizzie’) wasn’t the first car that had been built. Nor was it the fastest or the most beautiful. Yet it was the most revolutionary.

Through this car Henry Ford had achieved his dream of building ‘a motorcar for the great multitude’. Unlike the car manufacturers who had gone before, Ford didn’t focus his dream solely on performance, but on popularity. Before the Model T, cars were the ultimate playthings for the very rich. What Ford managed to do with the Model T (after 19 previous experimental models, from A to S) was to turn the car into a vehicle for the masses.

The revolution was based on radical economics. Instead of making money by raising the cost of the product, and therefore raising profit margins, Ford realized he could make more money by increasing sales volume and *lowering* prices and profit margins. When the Model T came to an end in 1927, over 15 million models had been sold and a Ford car was being produced every 24 seconds. The automobile age and the era of mass production had well and truly arrived.

Everything was about the economics of volume. Even the limited choice of colour was a result of Ford’s desire to speed up the assembly line process. He seemed to realize that, when it came to a product as genuinely useful and revolutionary as the car, supply increased demand.

In the years and decades following the Model T, Ford followed the same populist principles, whether designing cars, vans or trucks. It became a brand of the people and responded to people’s concerns. For example, when road accidents first became a major issue in the 1930s, Ford became the first car manufacturer to introduce safety glass.

Ford also responded to the desire for better-looking cars, with the introduction of purely ornamental design features such as car fins in the 1940s. This emphasis on design peaked in the 1960s with the arrival of the Ford Mustang, the second most significant car in the company’s history. The Mustang signified the move towards designing expensive sports cars for a younger generation. Its attractive design and state-of-the-art engine made it a contradiction in terms: a status symbol that almost everyone could afford. As a result, it sold millions.

Ever since, Ford has dominated the market with models such as the Cortina, the Mondeo, the Escort, the Fiesta, the Explorer, the Taurus and many others. It has remained popular, despite other companies offering products in the same categories at equivalent prices. This is not only because it was the first to popularize these categories (sports car, work van and so on), but also because it continues to emphasize the quality of its products. An emphasis on high quality, combined with high volume and low prices, has led to Ford's current status as the most ubiquitous brand on the road.

Secrets of success

- *Volume.* Low sales volume and high profit margins was the original formula for car manufacturers. Ford reversed the formula and changed the industry for ever.
- *Populism.* From the Model T to the Mustang and the Mondeo, Ford has aimed its cars at the widest possible market.
- *Pioneer spirit.* Ford didn't invent the car, but it has invented different types of car, with pioneering models such as the Mustang, Cortina and Transit.
- *Quality.* Ford's advancement of safety features, engine design and manufacturing materials has justified its emphasis on quality, and its models have often been voted 'car of the year' by the automotive press.

Fact file

Web site: www.ford.com

Founded: 1903

Country of origin: USA

Brand fact 1: Ford was launched from a converted wagon factory, with US \$28,000 cash from 12 investors.

Brand fact 2: In 1914, Ford doubled pay to US \$5 a day, and cut shifts from 9 hours to 8, setting high employee standards.

Brand fact 3: Malcolm X used to be an assembly worker at Ford.

15 Goodyear: the leadership brand

In the nineteenth century a man called Charles Goodyear invented the process of vulcanization. This had nothing to do with *Star Trek*. Instead, it was the complex process that transformed rubber into something that could be used for a variety of practical purposes. As well as tyres, he also created rubber boots and rubber clothes (hats, vests and ties).

The trouble was, Goodyear was an innovator, not a businessman. The Goodyear family nearly starved to death while Charles concentrated on one failing rubber factory after another, amassing a crippling amount of debt. The food he and his family ate had largely been fished from the river by Charles himself.

You see, although vulcanization was one of the key commercial and technological breakthroughs of the 19th century, Goodyear, one of history's Homer Simpsons, had been slow to patent it. This meant he was in and out of court trying to stop businesses exploiting his breakthrough. And even by the time he died in 1860 he had failed to capitalize on his own achievements.

Forty years later, however, Frank Seiberling did capitalize on Goodyear's achievements, and acknowledged those achievements by naming his company after him, that being the Goodyear Tire and Rubber Company. Unlike the life of the eponymous hero behind it, the Goodyear brand's life has been relatively trouble-free. In 1901, only three years into operation, Henry Ford started using Goodyear rubber tyres on his cars. Throughout most of the last century Goodyear grew and successfully sustained its position as the number one brand of tyres, through various alliances with leading car manufacturers.

It was only in the 1980s that Goodyear started to lose its grip (metaphorically speaking) on the market. Its market share started to dwindle as the competition heated up. In 1988, the Japanese tyre company Bridgestone Corporation purchased Goodyear's rival Firestone. Goodyear's sales slipped further in the 1990s, and the company responded by axing employees (including over 2,800 in one year).

However, by the end of the millennium things were turning back around. In 1997, the company embarked on a brave investment plan that involved building two new factories. In 1999, it followed Firestone's example and joined forces with

a massive Japanese tyre company when it formed an alliance with Sumitomo Rubber.

That same year, the quality of Firestone tyres was placed under scrutiny after a series of customer complaints and traffic accidents, causing the National Highway Traffic Safety Administration to recall 6.5 million Firestone tyres on primarily Ford Explorers. This was followed by a very public dispute between Ford and Firestone over who was to blame.

Of course, this only helped reaffirm Goodyear's status as the leading tyre brand, a position it firmly holds on to today.

Secrets of success

- *Trust.* There are few products where trust is a life-and-death issue, but the tyre category is one of them.
- *Longevity.* Goodyear has built its trust through longevity – it is now over 100 years old.
- *Leadership.* Goodyear's advertising campaigns promote the fact that it is the leading tyre brand, with straightforward slogans such as 'Number One in tyres'. As it is the leader, people assume it's the best and buy Goodyear tyres. As a result, it stays the leader and people buy even more Goodyear tyres.

Fact file

Web site: www.goodyear.com

Founded: 1898

Country of origin: USA

Brand fact 1: Goodyear has plants in 28 countries.

Brand fact 2: Goodyear's first plant was bought with a US \$3,500 down payment using money Frank Sieberling borrowed from his brother-in-law.

Brand fact 3: Goodyear is the world's largest tyre company.

16 Gillette: the shaving brand

Boston, USA, 1895. A 40-year-old man working on the waterfront has an idea for a new safety razor. The man is called King Camp Gillette. That is not his only problem. He also has to trek around the banks and businesses of his native city finding money to fund the Gillette Safety Razor Company before he is able to trial the product among the public.

Getting the money takes a while, as investors were as reluctant to plough money into an untested project as they are today. In fact, King Camp is 48 by the time his company is able to start producing razors and blades. Even when production starts he finds it hard to calm his investors' nerves. In its first year of operation, the Gillette Safety Razor Company sells a grand total of 51 razor sets and 168 blades: hardly the making of a global enterprise.

Then, in 1904, something happened. Sales picked up. News of this razor that didn't cut your chin started to spread like stubble rash. In one of the biggest word-of-mouth phenomena of all time, the demand curve shot up. The following year Gillette sold over a quarter of a million razors, and even more blades. It opened an office in London and a European manufacturing plant based in Paris. Even in the age of viral marketing, sales jumping from 51 units to 250,000 in the space of two years would be pretty reasonable.

The reason why such phenomenal growth occurred is, with hindsight, quite understandable. Gillette revolutionized the market. It didn't invent shaving. But it did come up with an entirely new product: a product, moreover, that could be used every day by every man, and that offered a definite and identifiable improvement on what had gone before.

And what's more, the growth continued. By 1915, the company was selling 7 million blades a year. In 1917, Gillette razors were used by over 3 million members of the US army.

Around this time, King Camp, unable to believe his luck, decided he needed a rest. He headed west to California and spent the rest of his life as a social theorist. He died in 1932.

Throughout the 20th century Gillette expanded to become a leading global brand. It launched shaving foam in 1953 (which some business theorists refer to

as the perfect brand extension as it's used with the original product). It launched other brands, including Right Guard deodorant. It came up with radical new products such as the Trac II (a twin-bladed razor launched in 1971), the Sensor Shaving System (1990) and the Mach 3 triple-bladed razor (1998), which remains the bestseller today.

The company also had a lengthy shopping list of other companies it wanted to acquire, buying Braun, Oral-B, Waterman and Parker Pens. In 1996, there was also a major merger with Duracell.

It is now ranked within the world's top 10 most valuable brands and still produces the most popular shaving products.

Secrets of success

- *Testosterone.* When advertising to men, Gillette has always promoted the masculine values of its brand. Gillette razors aren't just *for* men. They define men. In Gillette adverts men are heroes, fathers and lovers, and smile rugged grins above a soft-rock soundtrack. 'The best a man can get' is the slogan, signifying quality and masculinity in six words.
- *Innovation.* 'Good products come out of market research. Great products come from research and development.' So says Gillette former CEO Alfred Zeien. And he should know. His company has succeeded through creating brand-new products that are both pioneering and incredibly popular, from King Camp's first safety razor to the Mach 3.

Fact file

Web site: www.gillette.com

Founded: 1901

Country of origin: USA

Brand fact 1: Gillette is driven by the conviction that 'There is a better way to shave and we will find it.'

Brand fact 2: In 1904 Gillette received the first US patent on the safety razor and sales soared to 90,000 razors and 12 million blades.

Brand fact 3: Gillette introduced the first women's razor, Milady Décolletée, in 1915.

17 Kleenex: the disposable brand

Brands change. They evolve. They metamorphose into something new. So do products.

Normally this change is initiated by the company itself, on a whim, or as a result of extensive market research. Sometimes though it happens naturally. The product stays exactly the same, but it becomes used in a way the company hadn't anticipated.

Take Kleenex. The Kleenex tissue began life in the 1920s as a make-up remover, which was more cost-effective than the cloth towels that women had previously used. The screen icon Jean Harlow, among other celebrities, helped promote the brand for this use and it became a big seller.

In the late 1920s, however, Kimberly-Clark (the company that owned Kleenex) started to realize why the tissues were so popular. The company was inundated with letters from customers who said they used the tissues for colds. The previous description for the tissues had been 'sanitary cold cream remover'. This was now exchanged for 'the handkerchiefs you can throw away'. People may have already invented this use, for themselves, but Kleenex was the first brand to capitalize on it.

As the first in the category, it was the first to dominate it. Kleenex has consequently become a generic noun as much as a brand name, and it is recognized in over 180 countries.

Having been the inventor of the facial tissues category in the 1920s, which became the 'disposable handkerchief' category in the 1930s, Kleenex kept on innovating. It was the first brand to introduce perforated cartons, upright cartons, pocket tissues, coloured tissues, printed tissues, paper towels, 'man-size' tissues, eyeglass tissues, junior tissues, 'purse pack' tissues, scented tissues, three-layer tissues, 'bundle pack' tissues and travel tissues. The innovations have continued into the 21st century, with the introduction of Kleenex with lotion, menthol Kleenex and Kleenex Ultra Soft.

All these innovations have helped Kleenex maintain its position as one of the few truly global, billion-dollar brands.

Secrets of success

- *Consumer insight.* Ever since Kleenex first changed its identity to become a 'disposable handkerchief', it has been alert to the needs of its customers. According to parent company Kimberly-Clark, 'customer insight' is the key factor that sets its brands such as Kleenex and Huggies apart.
- *New variations.* The Kleenex product has been varied and reinvented almost continually over the last eight decades. Such variations inject new life into the brand without extending it into inappropriate categories. As a result, Kleenex is still solely associated with tissues.

Fact file

Web site: www.kleenex.com

Founded: 1924

Country of origin: USA

Brand fact 1: In the 1920s many famous actresses proclaimed Kleenex tissues contributed to their clear complexions.

Brand fact 2: In 1957, a Kleenex tissue promotion for a Perry Como record album resulted in album sales of 330,000.

Brand fact 3: The Kleenex brand is recognized by families in more than 150 countries.

18 Wrigley: the new thinking brand

As with the Kleenex ‘disposable handkerchief’, it was the customers who dictated the direction of the Wrigley brand.

When the 29-year-old William Wrigley set up his Chicago-based business in 1891, his main product wasn’t chewing gum but Wrigley’s Scouring Soap. He was a firm believer in customer incentives – ‘something for nothing’, as he put it. He therefore decided to offer a free packet of baking powder whenever someone bought the scouring soap. Soon, however, he realized that the incentive product was more popular than the original product, so he switched from selling soap to selling baking powder. Maintaining his belief in customer incentives, he started offering two free packets of chewing gum with every packet of baking powder. And yet again, Wrigley let his customers dictate his business direction.

In 1892, when he realized the chewing gum was more popular he made it the sole focus of his company. He introduced his famous Wrigley’s Juicy Fruit and Wrigley’s Spearmint varieties in 1893 and worked hard to establish his place in the market. As there were already companies established in the market, he had a tough job.

However, Wrigley had a natural gift for marketing. He decided to focus on what he believed to be his best product – Wrigley’s Spearmint – at the expense of other Wrigley’s gum products.

Like William Kellogg and Henry Heinz, he was one of the early experts in advertising, with his successful ‘tell ’em quick and tell ’em often’ approach. In 1907, the business community fell into a slump, and advertising was suddenly seen as a foolish waste of money by many companies. However, Wrigley decided to take a risk and actually increased his advertising expenditure that year, with ads for Wrigley’s Spearmint plastered all over New York. While other brands suddenly concentrating less on advertising seemed to vanish, Wrigley’s was everywhere.

The strategy paid off, and in 1908 Wrigley began advertising across the United States. By 1910 Wrigley Spearmint was chewed by more American mouths than any other gum.

While Freud was in the process of changing the way we viewed the human mind, Wrigley was in the process of changing the way advertisers got inside that

mind. In 1911, over 50 years before the official rise of abstract advertising, Wrigley created an ad depicting a beautiful young woman above the line: ‘The Girl with the Wrigley Eyes’.

Wrigley was helping to change the marketing worldview at the same time as Freud, Picasso and Einstein were fracturing worldviews in psychology, art and science. The ‘command-and-control’, utilitarian principles of the 19th-century industrialists were completely disregarded by Wrigley, who had a very creative approach to business.

In 1915 he sent free samples of Spearmint gum to every single one of the 1.5 million people listed in the US national telephone directory. That same year, he rewrote the Mother Goose rhymes to include mentions of his brand and gave 14 million copies away for free. Wrigley also helped revolutionize employee relations, being one of the first US bosses to give his workers a two-day weekend.

Of course, Wrigley remains something of an unsung hero, certainly nowhere near as revered as the two Henrys – Ford and Heinz. However, his creative, consumer-centric business ideas provide one of the missing links between the industrial era and the age of marketing.

His son Philip inherited his business courage. During the Second World War, Wrigley stopped catering for the US domestic market to supply gum to the army. Before it vanished from the shelves, Philip devised an advertising campaign his father would have been proud of: a simple picture of an empty packet of Wrigley’s Spearmint gum and the slogan ‘Remember this Wrapper’. They remembered. When the brand returned in 1945 it exceeded its pre-war popularity.

In 1961, Philip’s son William took over and turned Wrigley’s into a global brand, setting up facilities in the Philippines, France, Kenya, Taiwan, China, India, Poland and Russia. Today, the brand is sold in over 150 countries, and sub-brands such as Hubba Bubba and Orbit have also grown in popularity.

The Wrigley family remain in charge of the brand, with the founder’s great-grandson Bill Wrigley boldly adapting the brand to the new marketing era. He has launched various new brands and has made over the packaging of the early products – including his great-grandfather’s beloved Spearmint.

Secrets of success

- *New thinking.* William Wrigley’s new business thinking made him a pioneer of marketing and transformed his products into a well-loved brand.
- *Consumer focus.* Wrigley wasn’t afraid to change direction. As a result he turned a freebie into the basis of a multimillion-dollar brand.

- *Courage.* Withdrawing from the US market during the Second World War was one of the most courageous brand decisions and proved that absence can make brands, if not hearts, grow stronger.

Fact file

Web site: www.wrigley.com

Founded: 1891

Country of origin: USA

Brand fact 1: Wrigley has 14 manufacturing factories worldwide: three in North America, four in Europe, one in Africa, and five in the Asia Pacific region.

Brand fact 2: Wrigley brand gums are available in 150 countries worldwide.

Brand fact 3: Most of Wrigley's advertising budget goes to TV.

Brand fact 4: Retail sales of chewing gum in the United States total more than US \$2 billion. That averages out to more than 190 sticks of gum per person every year. The Wrigley Company has just slightly less than half of all chewing gum sales.

ABOUT THE AUTHOR

Matt Haig is an independent consultant advising organizations of all types and sizes on creating integrated marketing and branding solutions. Acclaimed for his no-nonsense style, Matt is a popular speaker and writes regularly for both the national and business press. He is also the author of several other best-selling guides including *Brand Failures*, *Mobile Marketing*, *E-PR: The Essential Guide to Public Relations on the Internet*, *E-Business Essentials* and *E-mail Essentials* (all published by Kogan Page). His recent novel, *The Last Family in England* (Jonathan Cape), has received rave reviews.

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